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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/797,143	03/11/2004	Han Chen	RM-07-01AE	6054
30349 7590 07/27/2009 JACKSON & CO., LLP 6114 LA SALLE AVENUE #507 OAKLAND, CA 94611-2802				
EXAMINER LE, LINH GIANG				
ART UNIT		PAPER NUMBER		
3686				
NOTIFICATION DATE		DELIVERY MODE		
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

uspto@jacolaw.com
docketing@jacolaw.com
mail@jacolaw.com

Office Action Summary

Application No.

10/797,143

Applicant(s)

CHEN ET AL.

Examiner

MICHELLE LE

Art Unit

3686

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 28 May 2009.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 15-44 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 15-44 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/SE/US)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date _____
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____

DETAILED ACTION

Continued Examination Under 37 CFR 1.114

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 28 March 2009 has been entered.

Claim Rejections - 35 USC § 101

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

3. Claims 41-44 are directed to non-statutory subject matter. Claims 42-55 are rejected under 35 U.S.C. 101 based on Supreme Court precedent and recent Federal Circuit decisions, a 35 U.S.C § 101 process must (1) be tied to a particular machine or (2) transform underlying subject matter (such as an article or materials) to a different state or thing. *In re Bilski et al*, 88 USPQ 2d 1385 CAFC (2008); *Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780,787-88 (1876). Furthermore, a nominal recitation in the preamble of structure in an otherwise ineligible

method fails to make the process statutory. Applicant's added language of "computer-implemented" is a nominal recitation in the preamble and fails the process statutory.

There are two corollaries to the machine-or-transformation test. First, a mere field-of-use limitation is generally insufficient to render an otherwise ineligible method claim patent-eligible. This means the machine or transformation must impose meaningful limits on the method claim's scope to pass the test. Second, insignificant extra-solution activity will not transform an unpatentable principle into a patentable process. This means reciting a specific machine or a particular transformation of a specific article in an insignificant step, such as a data gathering or outputting, is not sufficient to pass the test. Applicant has added language in claim 41 to retrieve a plurality of attributes from a database. This recitation of a database is merely a recitation in extra-solution activity as the "retrieving..." step is a data gathering step.

Claim Rejections - 35 USC § 112

4. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

5. Claims 15-44 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

- a. Claims 15-40 uses language such as the "memory *configured* for storing instructions..." It is unclear whether or not these functions are actually performed or the memory is merely *configured* to perform the functions
- b. Claims 41-44 rejected under 35 U.S.C. 112, second paragraph, as being incomplete for omitting essential elements, such omission amounting to a gap between the elements. See MPEP § 2172.01. The omitted elements are: what structure or elements are performing the determining steps.

Claim Rejections - 35 USC § 103

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. Claim 15-44 are rejected under 35 U.S.C. 103(a) as being unpatentable over Ha (Ha, Michael, *Cat Modeling, Forecasting Tools More Sophisticated*, NATIONAL UNDERWRITER, Feb. 23, 2004 at 17.) von Kaenel (7,107,285) in view of Colica (2002/0188556).
7. As per claim 15, Ha and Von Kaenel collectively teach an exposure analyzing apparatus, comprising:

One or more processors (Von Kaenel; Col. 18, lines 3-13); and

A memory in signal communication with the one or more processors, the memory configured for storing instructions which, when executed by the one or more processors, causes the one ore more processors to (Von Kaenel; Col. 18, lines 3-13; Ha; pgs. 4-5):

define a plurality of parameters (Ha; pg. 4); (location, portfolio, peril, and other user-defined criteria read on a "plurality of parameters");

determine a concentration of exposure to determine financial exposure for a potential exposure location based at least in part on the defined one or more of the plurality of parameters, the defined plurality of parameters including one ore more of a financial obligation amount associated with the potential exposure location or an amount of an assumed risk level associated with potential exposure location (Ha; pg. 4-5); and

generate an output associated with the determined concentration of exposure (von Kaenel; Col. 17, line 58 to Col. 18, line 2; Ha; pg. 4-5);

Von kaenel does not expressly teach:

using a financial perspective and wherein the financial perspective includes apportionment of liability of a total loss associated with the potential exposure location into a plurality of segments. However, this is well known in the art as evidenced by Colica and Ha. Ha teaches an "exposure concentration analysis" component providing a geographical analysis of a client's existing exposure concentration. (Ha; pgs. 4-5). Colica teaches monitoring and analyzing exposure data. (Colica; para. 6). Since the

claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

8. As per claim 16, Von Kaenel teaches the memory configured for storing instructions which when executed by the one or more processors causes the one or more processors to define a region of interest. (Von Kaenel; Col. 17, lines 38-67).

9. As per claim 17, Colica and Ha teach wherein said financial perspective defines net exposure for an exposure location (Ha; pgs 4-5; Colica; paras. 151-152).

10. As per claim 18, Colica does not expressly teach wherein the memory configured for storing instructions which when executed by the one or more processors causes the one or more processors use exhaustive search approach. However this is an obvious variant of the Colica teachings. In particular, Colica teaches a wide variety of types of analysis may be performed on data collected (Colica; Pg. 8, para. 108). One of ordinary skill in the art would recognize the "exhaustive search approach" to be a type of analysis performed on the data. One of ordinary skill in the art would modify the Colica teachings with the motivation of efficiently, accurately and effectively track exposures of a business (Colica; Pg. 1, para. 3).

11. As per claim 19, von Kaenel teaches wherein the memory configured for storing instructions which when executed by the one or more processors causes the one or more processors to define a boundary for an area of analysis (Von Kaenel; Col. 16, lines 43-59, Col. 17, lines 38-67).

12. As per claims 20 and 21, von Kaenel teaches wherein the memory configured for storing instructions which when executed by the one or more processors causes the one or more processors to generate a grid and wherein the grid is be generated by defining grid cell dimensions (Von Kaenel; Col. 16, lines 43-59, Col. 17, lines 38-67).

13. As per claim 22, von Kaenel teaches wherein the exhaustive search approach comprises a step of defining a boundary for an area of analysis (Von Kaenel; Col. 16, lines 43-59, Col. 17, lines 38-67).

14. As per claim 23, von Kaenel teaches wherein the boundary is a circle (Von Kaenel; Col. 16, lines 43-59, Col. 17, lines 38-67).

15. As per claim 24, von Kaenel teaches wherein the memory configured for storing instructions which when executed by the one or more processors causes the one or more processors to determine exposure for an area of analysis based on the sum of

exposures of potential exposure locations located within the area of analysis (Von Kaenel; Col. 16, lines 43-59, Col. 17, lines 38-67).

16. As per claim 25 von Kaenel teaches wherein the memory configured for storing instructions which when executed by the one or more processors causes the one or more processors to define a results parameter (Von Kaenel; Col. 16, lines 43-59, Col. 17, lines 38-67).

17. As per claim 26, von Kaenel teaches wherein the results parameter defines a format for an output, wherein the format is at least one of text, graphical or mapped format (Von Kaenel; Col. 16, lines 43-59, Col. 17, lines 38-67).

18. As per claim 27, Colica teaches the memory configured for storing instructions which when executed by the one or more processors causes the one or more processors to capture data relating to at least one of policies, accounts, location, treaty, exposure, and financial perspective (Colica; paras. 151-152)

19. As per claim 28, Colica teaches the memory configured for storing instructions which when executed by the one or more processors causes the one or more processors to determine concentration of exposure is by an analytical approach (Colica; para. 155).

20. As per claim 29, Colica does not expressly teach wherein the analytical approach includes use of equations:

$$(F_y(X_i+D_x, Y_j +D_y)-F_y(X_i+D_x, Y_j-D_y))- (F_y(X_i-D_x, Y_j +D_y)-F_y(X_i-D_x, Y_j-D_y)) = 0$$

$$(F_x(X_i+D_x, Y_j +D_y)-F_x(X_i-D_x, Y_j +D_y))- (F_x(X_i+D_x, Y_j-D_y)-F_x(X_i-D_x, Y_j-D_y)) = 0.$$

However, this is a variation of the Colica teachings. In particular, Colica does teach one or more analytic models or engines to generate desired data (Colica; para. 155). One of ordinary skill in the art would recognize using certain equations, such as the above expression, in order to analyze the desired data. One of ordinary skill in the art would modify the Colica teachings with the motivation of efficiently, accurately and effectively track exposures of a business (Colica; Pg. 1, para. 3).

21. As per claim 30, von Kaenel teaches the memory configured for storing instructions which when executed by the one or more processors causes the one or more processors to compare the exposures of two or more of area of analysis and determining the area of analysis having the highest exposure (von Kaenel; Col. 16, lines 43-59, Col. 17, lines 38-67)

22. As per claim 31, Colica teaches wherein the total loss may include one or more of a ground up loss, a client loss, a gross loss, a net loss, or a reinsurance net loss (Colica; paras. 152, 153).

23. As per claim 32, Colica teaches wherein the total loss includes a ground up loss comprising a total financial exposure when the potential exposure location is determined to be a complete loss (Colica; paras. 152, 153).

24. As per claim 33, Colica teaches wherein the total loss includes a client loss comprising a loss to an insurer below a deductible associated with the liability (Colica; paras. 152, 153).

25. As per claim 34, Colica teaches wherein the total loss includes a net loss comprising a loss to an insurer adjusted by one or more associated limits or deductibles (Colica; paras. 152, 153).

26. As per claim 35, Colica teaches wherein one or more associated limits includes one or more re-insurer's share associated with the liability (Colica; paras. 152, 153).

27. As per claim 36, Colica teaches wherein the reinsurance net loss includes a portion of the total loss associated with a reinsurer's portion of the liability (Colica; paras. 152, 153).

28. As per claim 37, Colica teaches wherein the apportionment of liability for each of the plurality of segments are associated with a respective predetermined weighting (Colica; paras. 152, 153).

29. As per claim 38, Colica teaches wherein the respective predetermined weighting for each of the plurality of segments are scaled based on an actual liability level associated with each segment (Colica; paras. 152, 153).

30. As per claim 39, Colica teaches wherein the output generated includes a visual indicator associated with each of the plurality of segments (Colica; paras. 152-154).

31. As per claim 40, Colica teaches wherein the visual indicator includes one or more of a color, an two-dimensional indicator, or a three-dimensional indicator (Colica; paras. 152-154).

32. Claims 41-44 repeat limitations of claims 15-30 and the reasons for rejection are incorporated herein.

33. As per claim 41, Von Kaenel and Ha collectively teach a computer implemented method, comprising:

retrieving a plurality of attributes associated with a potential exposure location from a database (Ha; pgs. 4-5 and Von Kaenel, Fig. 195);
determining one or more parameters associated with each attribute, each of the one or more parameters including one or more of a liability level or a coverage level for a loss to the potential exposure location, the liability level including one or more of a financial obligation amount associated with the potential exposure location or an amount of assumed risk level associated with the potential exposure location (Ha; pgs. 4-5);
determining a concentration of exposure for the potential exposure location based on the determined one or more parameters (Ha; pgs. 4-5);
outputting an indication of the determined concentration of exposure (Ha; pgs. 4-5);
associating the indication of the determined concentration of exposure to the potential exposure location (Ha; pgs. 4-5); and
storing the indication of the determined concentration of exposure in the database (Ha; pgs. 4-5; and Von Kaenel; Fig. 195);
wherein the determined concentration of exposure indication includes a plurality of varying levels of liability within the potential exposure location (Ha; pgs. 4-5).

34. As per claim 42, Von Kaenel teaches wherein the indication of the determined concentration of exposure includes one or more of an audible indication, or a visual indication (Von Kaenel; Col. 107; lines 5-18).

35. As per claim 43, Ha teaches wherein the potential exposure location is determined based on one or more of a geographical information, a structural information, a financial information, or an insurance coverage information (Ha; pgs. 4-5).

36. As per claim 44, Ha teaches including updating the determined concentration of exposure when one or more of the plurality of attributes is modified (Ha; pgs. 4-5).

Response to Arguments

37. Applicant's arguments filed 28 May 2009 have been fully considered but they are not fully persuasive. As per claims 15-40, the rejection under 35 USC 101 has been withdrawn. Claims 41-44 remain rejected under 35 USC 101 for failing the "machine or transformation" test as discussed above.

38. In light of the amended language, Examiner has added the Ha reference and claims 15-44 remain rejected under 35 USC 103(a) in view of Ha and von Kaenel in view of Colica.

Conclusion

39. Any inquiry concerning this communication or earlier communications from the examiner should be directed to MICHELLE LE whose telephone number is (571) 272-8207. The examiner can normally be reached on 8 AM - 5PM, M-F.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Gerald O'Connor can be reached on (571) 272-3600. The fax phone number for the organization where this application or proceeding is assigned is (571) 273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or (571) 272-1000.

7/20/09

/M. L./

Examiner, Art Unit 3686

/Gerald J. O'Connor/
Supervisory Patent Examiner
Group Art Unit 3686